sive relief package. In accordance with which the Reserve Bank of India while reiterating its extant guidelines, has in addition, advised all Scheduled Commercial Banks to extend the following additional relief to the farmers affected by drought, in the districts notified by the State Governments of the drought affected States:

{i} There will be no recovery of any amount either by way of prirrci-pal or interest during the current financial year in respect of Kharif crop loan.

(ii) The principal amount of crop loan will be converted into term loan and will be recovered over a period of minimum five years In the case of small and marginal farmers and four years in the case of other farmers.

(iii) Interest due in the current financial year on crop loan will not be recovered. No interest will be charged on this.

Fake currency notes

1425. SHRI BACHANI LEKHRAJ: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the circulation of fake currency notes is increasing in the country;

(b) if so, the value of fake currency detected by the Reserve Bank of India during the last two years and total value of currency in circulation as on 31st October. 2002.

(c) whether the economy of the country has been affected adversely on this account; and

(d) if so, the steps taken by Government in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Information compiled by the Reserve Bank of India (RBI) reveal that there has been a marginal increase in detection of fake currency during 2001-02 as compared to 2000-01.

(b) and (c) The total value of fake currency detected at RBI offices and bank branches during last two years, 2000-2001 and 2001-2002 amounted to Rs. 3.29 crores and Rs. 3.37 crores, respectively. The total value of currency notes in circulation in October, 2002 is estimated to be Rs. 2,56,811 crores. Considering the ratio of fake currency detected against that of the currency notes in circulation, there is no apprehension of any significant impact of fake currency circulation on our economy.

(d) To curb circulation of fake currency notes in the country, the Government has taken a number of steps which, *inter-alia,* include setting up special unit in the Central Bureau of Investigation exclusively for Investigation of counterfeit currency notes, stepping up of vigilance by the Border Security Force/Custom Authorities to prevent smuggling of fake currency notes into the country, incorporation of special security features in high denomination notes and dissemination of information of security features through print media and Doordarshan for the benefit of public. Further based on the recommendations of the High Level Committee, some additional features have been approved for incorporation in the Indian bank notes which will make counterfeiting of Indian Bank Notes extremely difficult.

Criteria for appointment of Cfiairman of SBI

1426. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the term of present Chairman of the State Bank of India and when the new Chairman is duo for appointment;

(b) the eligibility criteria and the mode of selection process for the appointment of Chairman, SBI;

(c) whether selection is based on seniority-cum-merit or direct recruitment through interview;

(d) whether there is also a provision that a senior most officer of SBI having more than two years of residual service can be appointed as Chairman without following the selection procedure ignoring other senior officers of public banking sector; and

(e) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Chairman, SBI is appointed under the provisions contained in sub-section (a) of section 1 of the State Bank of India Act, 1955 after consultation with the Reserve Bank of India. The present Chairman, SBI has been appointed on 13.11.2002 and he would retire on 31.5.2006.

(b) to (e) The Appointment of Chairman, State Bank of India is generally made from amongst the MDs/DMDs of State Bank of India who have two years of remaining service on the day vacancy occurs on the basis of recommendation made by the Appointments Board constituted for this